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MONDAY, JANUARY 26, 1948.

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4-Hour Battle In Mountains

Haganah And Arab Guerillas

Jerusalem, Jan. 25.—British armoured cars, equipped with two-pounder guns, tonight broke up a battle between Arabs and Jews in the mountains along the Jerusalem to Jaffa road after more than 20 casualties had been inflicted on both sides.

The veteran Arab guerilla chief, Abdul Kader Huseini, today personally led a band of several hundred heavily armed Arabs which fought a four-hour battle with units of Haganah, the Jewish Defence Force, in the Mount Castel area on the Jaffa-Jerusalem road.

The Arabs claimed to have killed eight Jews for the loss of two killed and four wounded. Jewish sources admitted five Jews were killed, but claimed about 10 Arabs were killed.

The battle was joined at noon when a Haganah scouting force, spearheaded by a big Jewish convoy of buses, lorries and cars travelling from Tel-Aviv towards Jerusalem, clashed with an Arab party commanded by Huseini, which, it is understood, was preparing to mine the road about 16 kilometres west of Jerusalem.

CALL TO ARMS

Both sides called up reinforcements. Messengers rushed to Arab villages, sounding a call to arms and Arab riflemen and tommy-gunners commandeered cars, lorries and one bus to rush to the scene of the battle.

Meanwhile, the Haganah force was swelled by armed men from the convoy.

Heavy gunfire re-echoed from the hills flanking the road and tommy-gunners of both sides fired thousands of rounds before the battle died down.

Returning from the battle, Huseini, riding a big American car, surrounded by his bodyguard carrying machine-guns, was given a victory reception as he headed his column of bandoliered rifle-brandishing Arabs through the town of Ramatallah, north of Jerusalem.

Hundreds of cheering townsmen fired pistols and rifles into the air, shouting: "Death to the Jews!"

CASUALTIES MOUNT UP

Jerusalem, Jan. 25.—Total casualties in the eight-week Arab-Jewish partition war reached 3,200 tonight as the biggest battle so far to keep open the Jerusalem-Tel-Aviv highway to Jewish traffic raged in the Seven Sisters Hills.

Figures compiled by the United Press during the eight weeks of fighting showed almost 1,200 persons killed, including: 721 Arabs, 408 Jews, 19 civilians and 12 British policemen.

The total number of wounded was 1,171 Arabs, 749 Jews, 13 civilians, 37 British police officers and 70 soldiers.—United Press.

EDITORIAL

A Divided Europe

THE vehemence with which Mr Ernest Bevin last week proclaimed his foreign policy vis-a-vis Europe, and the strong tone adopted by Mr Attlee in supporting the Foreign Secretary's speech could have only one meaning: notice was being given to Moscow that Britain stood foursquare with the United States in its opposition to Communism, and that the British Government was not prepared to make any concession to that ideology. Mr Bevin at times appeared to be speaking as much in sorrow as anger, being probably influenced by recent memories of the fiasco attending the Big Four conference in London, and Russia's unwillingness even to discuss the Marshall Plan for the rehabilitation of Europe. The unequivocal attitude of the two principal Government speakers towards Communism will undoubtedly be applauded by the British nation as a whole. Mr Attlee correctly gauges public opinion when he says "we are absolutely opposed to the Communist way of life," and he scored another effective point when he addressed to Stalin personally the suggestion that the Soviet leader should "give up the idea that somehow or other Britain is going to turn Communist." There can be no quarrel over the British Government's inclusive reputation of Communism as a political system, but at the same time it is

impossible to escape from the sobering implications of Mr Bevin's and Mr Attlee's speeches. Both found it necessary to make direct references to the possibility of armed conflict in order to ensure that Communism does not spread beyond its present boundaries in Europe. Economically and politically the lines are already drawn and it would not require many overt acts of infiltration by Soviet agents into western and central European countries which are at present adherents to the democratic way of life, for the existing "cold war" to develop into one of guns and bombs. Europe appears destined to be divided into two, British policy now being committed to the development and consolidation of a Western bloc capable, with the aid of the Marshall Plan and a Customs union, of effecting its own recovery. It would be foolish, however, to imagine that Russia is incapable of assisting zones of influence in Eastern and southeastern Europe towards economic rehabilitation; she must, in fact, be expected to make every endeavour towards this end if only to guarantee herself frontier bulwarks, and, of course, a useful bargaining weapon in the international councils. The painful process of trying to rehabilitate a disunited Europe will be welcome with not a little apprehension: the danger signs are too obvious to require embellishment.

France Devalues

The Franc

FREE MARKET IN GOLD PROPOSED

British Objections

London, Jan. 25.—France tonight announced a new franc rate of 214,392 to the dollar. The sterling rate will be 864 francs to the pound as expected.

Within a few days a free market in gold and certain hard currencies will be established. At the beginning, it was officially stated today, the only hard currencies to be dealt in will be the United States dollar and the Portuguese escudo. Other currencies may be admitted to the free market as time goes on, it was authoritatively stated.

Exporters will surrender half their foreign exchange at the official rate and will be allowed to dispose of the other half in the free market. To purchase currencies in the free market, it will be necessary to act through approved agents and to be in possession of an import licence or an equivalent currency certificate. Everybody will be free to sell foreign exchange in the free market.

France's announcement of an 80 per cent increase in the purchasing power of all foreign currencies against the franc, as from tomorrow, coincides with a joint Anglo-French statement regarding the disagreement between the two nations.

The French communiqué, announcing the devaluation of the currency and the establishment of a free market in United States dollars and Portuguese escudos, stated tonight that the following decisions had been taken:

1.—The rates at which the Exchange Stabilisation Fund will buy or sell foreign currencies against francs will, as from January 26, 1948, be increased by a premium.

This premium applies to all transactions and is uniform to all currencies. Its amount is fixed at 80 per cent of the rates in force up to now.

The new rates of the franc will thus be 214,392 for one dollar and 864 francs for one pound sterling.

The parties of the Metropolitan franc in relation to the other currencies of the franc zone will not be modified, except in regard to the franc of the French territories of the Pacific as well as the French Empire.

FREE MARKET

2.—Alongside the official market, there will be immediately established a free market in which the United States dollar and the Portuguese escudo can be quoted.

The characteristics of the free market will be the following:

(a) The market will be supplied by one half of the produce of exports, the other half being ceded to the Exchange Stabilisation Fund on the basis of the rates adopted by it; by the total of the currencies from any other source, particularly currencies coming from non-commercial settlements, and currencies corresponding to movements of capital from abroad into France, and currencies from foreign tourists.

(b) The resources (in foreign currencies) of the market can be used as follows: for payment of imports of merchandise, except for certain special categories of imports considered as essential. The currency required for the payment of these latter imports will continue to be delivered by the Exchange Stabilisation Fund at the rate adopted by it. For all other settlements or movements of capital from France abroad except for certain payments by the State.

(c) The market thus defined will be a free market in this sense that the rate of the currencies dealt in will be established freely by the law of supply and demand.

The monetary authorities will only see to it on the one hand that all the currencies are effectively so devalued, and on the other that only purchases are effected which correspond to payments authorised by the Foreign Exchange Control Office on the customary conditions, namely, as far as imports are concerned, against the delivery of licences.

JOINT COMMUNIQUE

The following joint communiqué was issued here tonight by the French and British Governments:

"M. Beno Mayer, the Minister of Finance, exchanged views in London on January 16 and 17 with the Chancellor of the Exchequer about the monetary project of the French Government.

Blizzard Causes 23 Deaths

New York, Jan. 25.—The death toll in the second great blizzard to strike the American east coast this winter today rose to 23 as the snow storm, which lashed the whole eastern seaboard, swept out to sea, leaving a trail of disrupted transport and clogged highways.

A blanket of snow, 15 to 30 centimetres deep, covered most of the coastal and central states and temperatures were still about minus 18 degrees centigrade.

Areas as far south as the Mississippi, Alabama, Georgia and even New Orleans were struck by blinding snowstorms.

The coldest spot in the United States yesterday was Montpelier Junction, Vermont, where the temperature was minus 43 degrees centigrade.

The roads throughout the affected area were covered with ice, making driving dangerous and railways were still running up to eight hours behind schedule.—Reuter.

Demand Grows For Channel Tunnel

"GOOD COMMERCIAL RISK"

London, Jan. 25.—A demand for action on the proposal to construct a £65,000,000 Channel tunnel between Britain and France will be made to Parliament before the present Government ends its term of office in 1950.

Mr Christopher Shawcross, Chairman of the Parliamentary Tunnel Committee, indicated his committee's intention to press the matter when he returned to London from meetings with the French Parliamentary Channel Tunnel Committee in Paris.

The joint Anglo-French committee will meet in London next month to study plans of the proposed 32-mile long tunnel, which would link Folkestone with Cap Gris Nez.

Mr Shawcross said the British General Staff was maintaining its long-standing objection to the plan. "It would be fair to say that had there never been any military objections by the advisers of the British Government, the Channel tunnel would have been constructed long ago," he added.

"I consider the building of the tunnel a good commercial risk," he said.

POLITICAL IMPORTANCE

"The British Government should look not only at the financial aspect of the scheme but also at the great political effect the tunnel would have in joining Britain directly to Europe.

"If it is not essential for the establishment of a United States of Europe, including Britain, at least its tremendous influence in the creation and consolidation of that ideal must be obvious."

The last determined British effort to push the plan through Parliament was defeated by a narrow majority in 1930.

Mr Shawcross thinks the British and French Governments should consider the possibility of permitting the investment of American private capital in the project.

"I believe American investors should be given a chance to risk their capital in this project," he declared.

"I feel, however, the two governments should be adequately safeguarded on the following matters:

"1.—The provision of the necessary materials, such as steel from America;

"2.—The provision of such machinery as could not be profitably obtained from Britain;

"3.—Anglo-French governmental control of the company's directors; and

"4.—Anglo-French governmental control of fares and of freight through the tunnel."

MILITARY OBJECTIONS

Of the military objections to the tunnel, Mr Shawcross said: "Sapping is one of the oldest forms of overcoming an enemy's defences. The soldier instinctively dislikes it. It is not cricket, and there is a general feeling of being blown up underneath or being assailed by an enemy who suddenly springs up in your midst."

It is estimated that the construction of the tunnel would take seven and a half years.—Reuter.

COLDEST SINCE 1917

Hongkong Shivers

At 7 o'clock last night the Royal Observatory recorded a temperature of 40.2 degrees Fahrenheit, the lowest in January since 1917, when the thermometer fell to 38.8.

The 40.2 reading was also the lowest in Hongkong for any month of the year since 1925.

Observatory officials predicted that the cold weather would continue, probably for a day or two, and they said it may even get colder.

This morning at 6 o'clock, a resident on the Peak found his thermometer reading 32.5, and at 6 o'clock last evening it registered 35 degrees.

The drop in temperature for the 24 hours between 2 a.m. on Saturday and 2 a.m. Sunday is said to have been exceptionally rapid. At 2 o'clock Saturday the mercury registered 68, and 24 hours later had fallen to 47.

MANY SHANGHAI DEATHS

Shanghai, Jan. 26.—Some 130 corpses of children were picked up in the streets of Shanghai yesterday as the cold spell continued in the city.

The cold weather was well below freezing point.

According to the Shanghai Benevolence Society which will see to the burial of these children, all the deaths were due to exposure.

Local observatory experts predict that the present cold spell will stay for several more days—which news is welcomed by the farmers who forecast bumper crops after the occurrence of severe weather at this time of year.—Reuter.

He Sold A Sunken Battleship

Trieste, Jan. 25.—The police today arrested Bruno Nidoldi, 29, for selling a group of Milanese businessmen the sunken battleship Giulio Cesare.

Nidoldi took the businessmen to the port of Ancona here and showed them what was visible of the battleship. He then showed them fake Military Government documents, according to the police, that he was the legal owner.

The businessmen snapped his offer to sell it for US\$255,000. They paid him US\$17,000 down, but before paying the balance they cautiously checked up ownership of the Giulio Cesare.

That was when Nidoldi was arrested.—United Press.

US-Soviet Trade Relations

ENVOY URGES EXPANSION

Washington, Jan. 25.—A call for expanded Soviet-American trade as a step towards better diplomatic relations was made by the new Russian Ambassador to the United States, M. Alexander S. Panyushkin, in Washington today.

M. Panyushkin said the people of both countries were equally interested in bettering these relations.

Accusing the United States Government of blocking trade between the two countries through discriminatory regulations, the new Soviet Ambassador said that American trade regulating agencies were discriminating against commerce with the Soviet Union despite the desire of "certain circles" in the United States to develop and strengthen this trade. M. Panyushkin did not name specific instances of alleged discrimination.

M. Panyushkin made the statement in reply to written questions submitted by an American news agency.

CO-EXISTENCE

Asked if he considered the increasingly serious differences between the Soviet Union and the United States inevitable because of the differences in the two political systems, he replied that the foreign policy of the Soviet Union proceeded from the fact of the co-existence of the two different systems.

The difference between them was of no substantial importance since the matter in question was the co-operation. If there was a desire to co-operate, then co-operation was wholly possible under different economic systems.

M. Panyushkin declared the Soviet Union had never refused development of trade with the United States on conditions of normal business practice.

Replying to a question as to how the Soviet Union could best help the Soviet Union to rebuild war-devastated areas, the Soviet Ambassador said the Soviet Union had a five-year plan of rehabilitation and development of its national economy.

REPARATIONS

The Soviet people were successfully fulfilling this plan. Simultaneously, the Soviet Union was reviving and developing its trade relations with other nations. Therefore, the answer to the question could be found in a normalisation of Soviet-American trade.

The fulfilment of the Yalta and Potsdam Agreements on reparations would also have a great positive meaning.

M. Panyushkin said the Soviet Union proposed to renew conversations with the American State Department in an effort to reach a settlement of the Soviet lend-lease account and had submitted concrete proposals.

Asked whether he intended at this time, or in the foreseeable future, to resume the Soviet Union's discussions with the United States Government on the prospect of a \$1,000 million loan to the Soviet Union, M. Panyushkin said it was not his intention under the present circumstances to take the initiative in that direction.—Reuter.

Death Toll Mounting In Philippines 'Quake

Manila, Jan. 25.—The Philippine Red Cross today rushed relief workers and medical supplies to Panay Island, where an earthquake described as the worst in Philippine history shook down homes, churches and walls and opened great fissures in the ground.

At least 14 persons were killed. Unconfirmed reports to the Philippines Constabulary said at least 21 people were killed in Iloilo Province, apparently the hardest hit. It was reported officially that 12 men were killed when the 100-foot tower of the Cathedral collapsed. Jaro is a suburb of Iloilo City.

Police were known to have been killed when the municipal building collapsed at Asturias on Negros Occidental Island. A woman was crushed to death by a falling wall in Alimodian in Iloilo. At least 15 were seriously hurt; three or four were seriously injured, but refused to be taken to hospital.

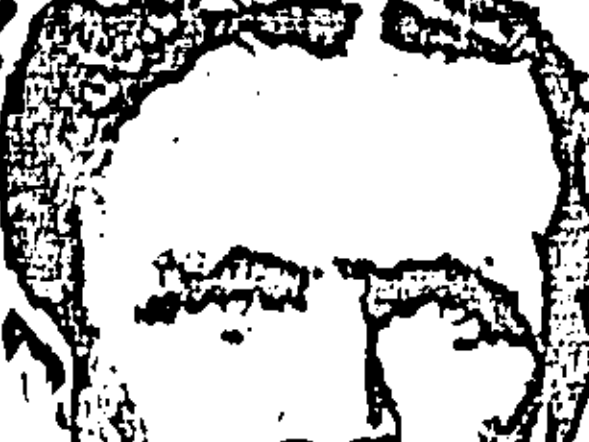
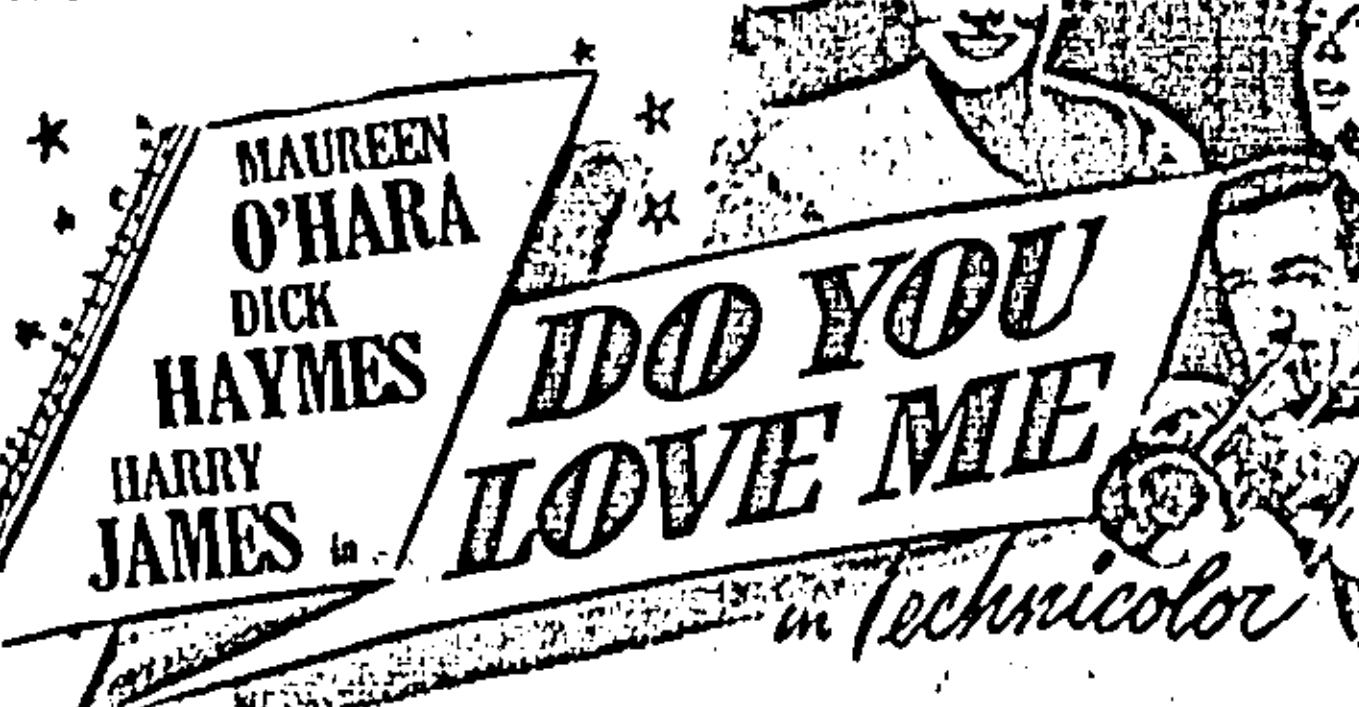
Today, many residents of Iloilo City were reported to have fled to open areas as the shocks continued. At least 17 shocks were reported. The first came at 1.40 in the morning and the last 3.40 in the afternoon.

Robert Nelson, U.S. weather observer in Iloilo City, said the first shock lasting three minutes—did the most damage. Although Panay Island apparently was the epicentre of the earthquake, shocks shook the whole of the Central Philippines and were felt in Southern Luzon to Zamboanga.

Cracks opened up and reportedly ruined many railway lines. The collapse of many buildings, however, was partly attributed to damage suffered during the war.—United Press.

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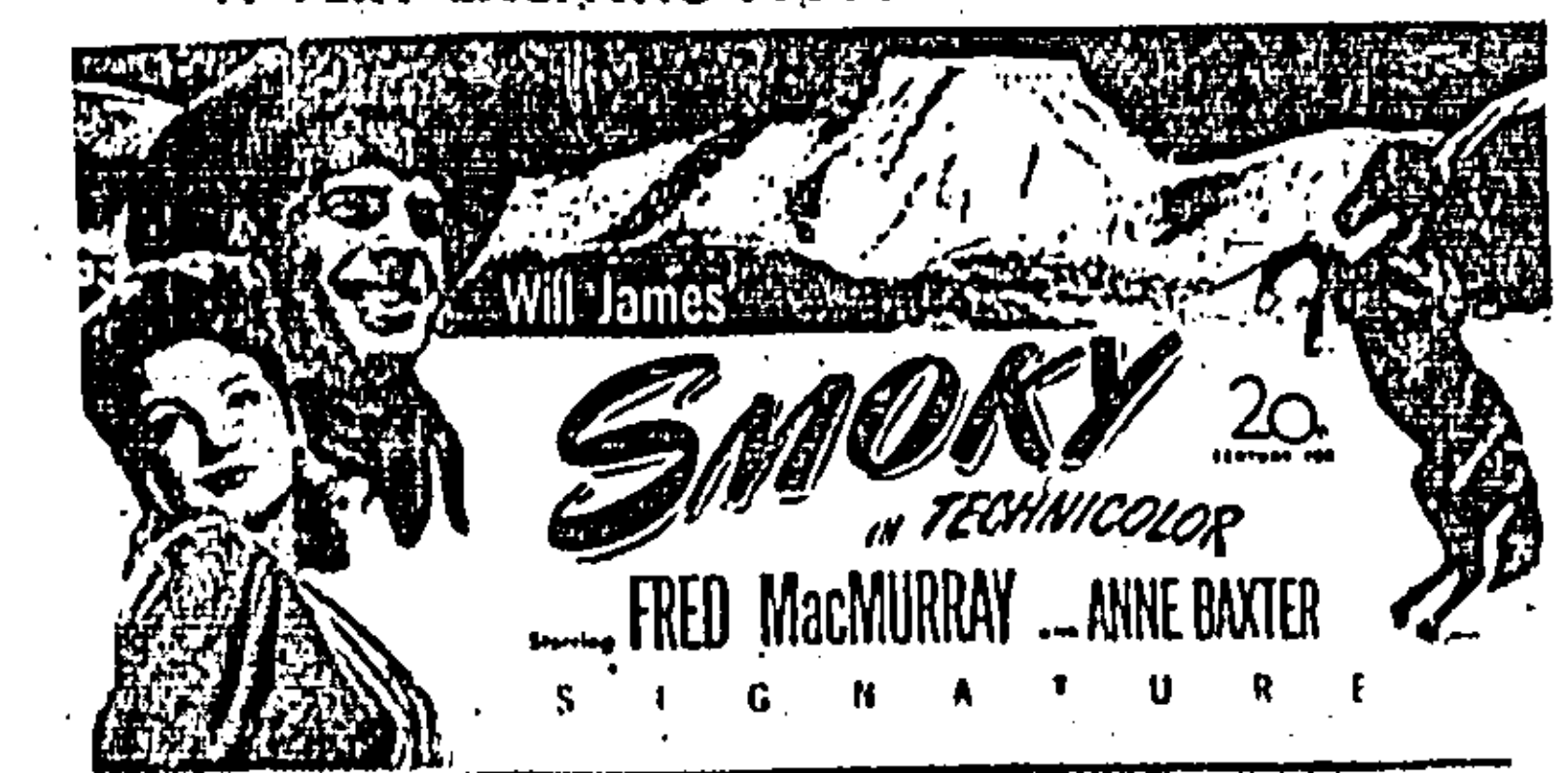
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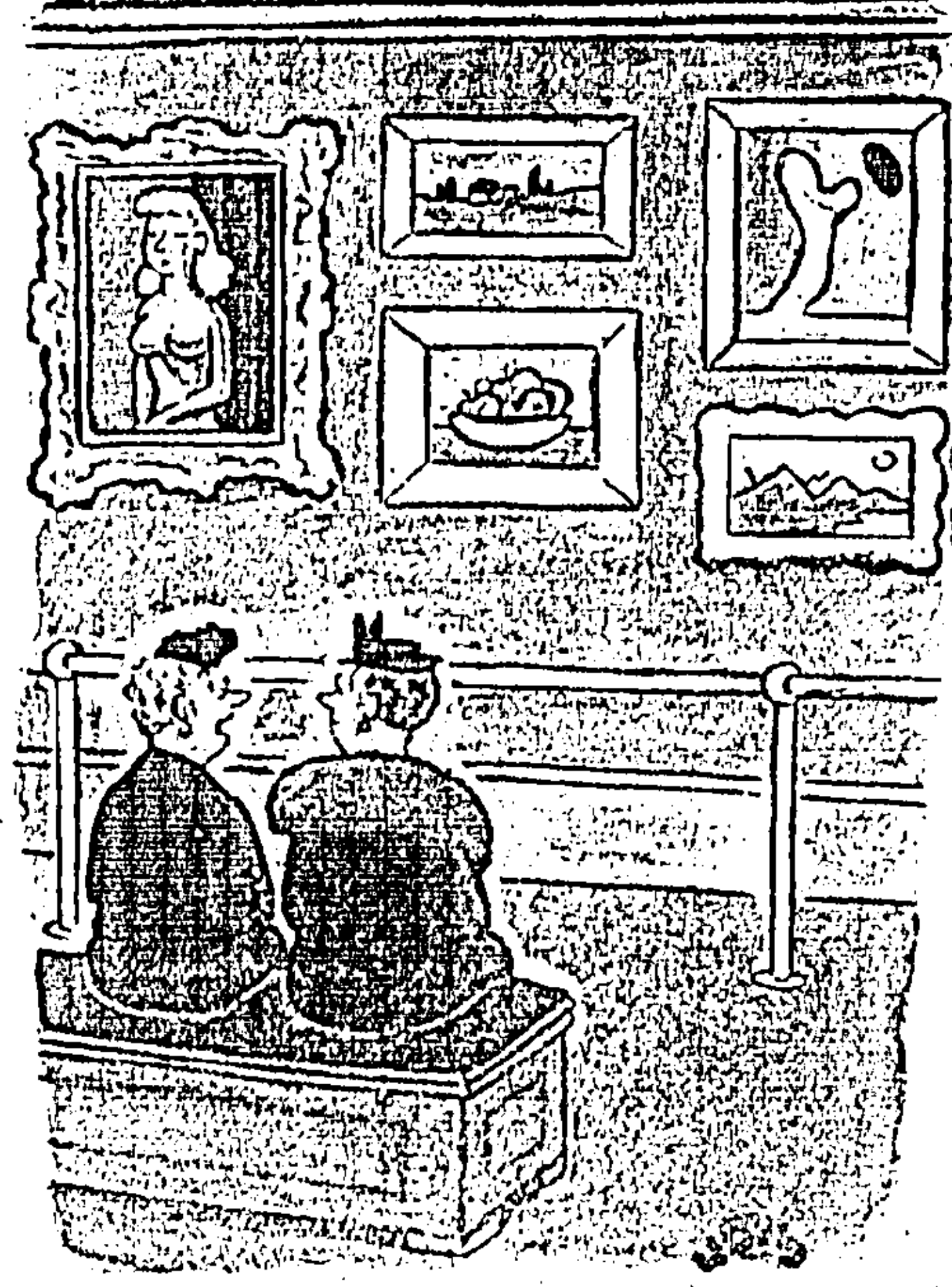
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A VERY EXCITING PICTURE OF THE WEST!

Next Change: "GUADALCANAL DIARY"

Communist Plan For Germany

By DENIS MARTIN



"Of course, I like Picasso, Matisse and Cézanne, but to tell you the truth, I just came in because my feet are killing me!"

Henry Wallace did not impress British politicians

By ERNEST THURTELL, M.P.

MR HENRY WALLACE announces his intention of standing for election to the American Presidency this year, so that voters will be offered a third choice, in addition to the regular Democratic and Republican candidates.

In Parliament a mere Englishman hardly presumes to intervene when Scottish business is under discussion, and with stronger reason I suppose a Briton should be chary of butting into the internal affairs of the Americans.

For one thing he has an unbroken record of 25 years' service in the House.

For another, he has been an outstanding Scots character all that time, responsible for a great number of vigorous and dramatic speeches.

He is quieter now, but in the old days his tempestuous oratory was truly arresting.

Even when his burring voice was in full oratorical spate the quality of his language always impressed.

It was strong, Biblical English, often with a poetical strain running through it.

And to hear David, quoting, full-throated, "A man's a man for a' that," is a genuine democratic thrill.

But perhaps one may be permitted to say that if Mr Wallace is to make any kind of showing at all, he will need to impress his fellow citizens far more favourably than he did a meeting of British M.P.s in the first half of last year.

This largely attended meeting provoked something like a sensation by reason of the very poor impression created by the speaker.

Mr Wallace, much publicised by his friends as a Messianic political figure, astonished his audience by his ineptitude.

He was nebulous, halting, discursive and, so far as international affairs were concerned, positively naive in some of the views he expressed.

Even the fellow travellers who had assembled to hail this American Daniel came to judgment on the errors of British foreign policy were not impressed by his performance, and felt the meeting subdued, if not shocked.

IT is unusual for a back bench like Mr Kirkwood to have a Privy Councillorship conferred upon him.

But then Davie ("Big Davie") to his Scots colleagues is an unusual back bench.

She must reject alike the evils of unemployment and truancy, and show a firm front to enemies abroad and at home who seek to harm her.

Naught shall make us rue, in fact, if Britain to herself do rest, but true.

THE publication of the Bill will also reveal to us what is in the Government's mind on such questions as plural voting and university representation, about which there is much curiosity.

The 1948 answer is that Britain is all right, and can do great things, if she will only stand firm in the faith of her own power and possibilities.

HOW STANDS BRITAIN? is the question title of the new official exhibition at Charing Cross.

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THE second class is salaries of the King's Household and retired allowances (£134,000).

Third: the expenses of the Household (£152,000), and fourth, the Royal Bounty, Aims and Special Services (£13,200). Accounts for Royal Household expenditure are audited by the Exchequer.

There is an entirely distinct expenditure, voted separately by Parliament, on Civil List pensions.

These are payable to famous men of letters, scientists, actors, artists or their dependents who have fallen on hard times.

THE KING'S PURSE

There are four classes of Civil List charges.

The first is His Majesty's Privy (or private) Purse. This is the King's own personal income. For the financial year 1946-7 this was £30,661 9s. 11d.

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N EARLY three years have passed since Russian tanks came finally to a halt in Berlin and the new political leaders of Germany emerged from concentration camps, hiding and exile to start life again.

Today, the great political parties and the vaster trade unions dominate the German scene.

They form the essential clue to the apparent inability of the four Foreign Ministers to get down to brass tacks.

There is ample evidence to suggest that Mr Molotov believes he has a trump card up his sleeve in the two massive and efficient organisations built up in the Russian zone for the economic and political conquest of Germany.

These organisations are the Socialist Unity Party and the League of Free German Trade Unions. In complete command of the situation in the Russian zone, and possessing numerous powerful offshoots in the League of Free German Youth, the League of German Women and similar institutions, they are in full cry for a "push to the West" and the blessing of an All-German status.

In these circumstances, the speeches of Mr Molotov, ringing strange and unreal in the Conference room, become quite clear when they are interpreted as what they are—speeches to a German audience, championing the cause of the German workers.

INfiltration?

BACK in Berlin and the Russian zone, chains of newspapers, well supplied with newsprint, networks of magazines and pamphlets and batteries of radio stations bring Mr Molotov to German ears.

The Red Army administration of Germany is apparently convinced that there exists in the Russian zone sufficient machinery to achieve, by infiltration, a central German Government of its own design.

The rise to power of the Socialist Unity Party and the League of Free German Trade Unions has been achieved by methods which, at times, bear a disturbing resemblance to tactics pursued in the days of Hitler.

The Communists could muster only a handful of leaders at the end of the war.

Their one course—and they fought for this with typical fanaticism—was to achieve a united front with the powerful Socialist Democratic Party, which was, and is, the cornerstone of working-class political policy in postwar Germany.

The first phase, in a campaign which is of enormous significance for international Socialism, came with the formation of an anti-Fascist front of all four Parties in the Russian zone and Berlin.

Then, in the spring of 1946, a fusion of the Socialist Democratic and Communist Parties in the Russian zone was "arranged."

Hundreds of Socialist leaders resigned, and thousands of members joined other political organisations, but the new Party—the Socialist Unity Party—had come to stay, and from that day Social Democracy has been forbidden in the Russian Zone.

In Berlin things were different. Here the three Western Powers were not satisfied that the merger did, in fact, represent the wishes of the workers.

The acid test came with the famous plebiscite, when the Social Democrats of Berlin were asked what they thought about the fusion issue.

The Russians banned voting in the eight boroughs under their control, but in the twelve remaining boroughs 10,529 Social Democrats voted against amalgamation with the Communists and only 2,937 said "Yes." Eighty-two per cent of the Party members voted.

Part of history

THEN, in October, 1946, the capital polled for the municipal elections.

The overwhelming Social Democratic victory in these elections has already become part of German history: 841,743 people voted for the Social Democrats.

Christian Democrats came next with 431,916 votes, and the Socialist Unity Party, for all its support from the Russians, could muster only 243,182 votes.

In open, outspoken opposition to the Molotov plan for infiltration through the political parties and trade unions, stand the leaders of the Social Democrats, and the Christian Democrats in Western Germany.

Opponent No. 1 of the "Unity" men is Kurt Schumacher, who spent ten years in a concentration camp and now leads the Social Democratic Party.

Accusing the Socialist Unity Party of attempting to justify the jackboot as a means of political government, Schumacher is still the leading political figure of Western Germany.

As early as March, 1946, he exposed the Communist unity campaign in Berlin as "an attempt to force Communist leadership on the Socialist masses."

"The Communists," he told a party congress, "want to put the clock back 14 years. In this endeavour, they have one thing in common with Prussian officers—iron discipline."

Fight goes on

FAIL to the right, the Christian Democrats share the opposition of the Social Democrats to the Communist bid to capture Germany.

In the turbulence of the reparations crisis the struggle for domination is now centred in the Trade Unions, but even here the Communists have still failed to capture any significant following in the Ruhr Valley and the industrial regions of the British Zone.

The light goes on. This is the main issue of postwar Germany.

Mr Molotov thinks he has the answer. But there are others, including millions of Germans, who believe that a Russian solution and the type of Government foreseen by Russia would be a disaster for Europe.

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In the turbulence of the reparations crisis the struggle for domination is now centred in the Trade Unions, but even here the Communists have still failed to capture any significant following in the Ruhr Valley and the industrial regions of the British Zone.

The light goes on. This is the main issue of postwar Germany.

Mr Molotov thinks he has the answer. But there are others, including millions of Germans, who believe that a Russian solution and the type of Government foreseen by Russia would be a disaster for Europe.

INfiltration?

BACK in Berlin and the Russian zone, chains of newspapers, well supplied with newsprint, networks of magazines and pamphlets and batteries of radio stations bring Mr Molotov to German ears.

The Red Army administration of Germany is apparently convinced that there exists in the Russian zone sufficient machinery to achieve, by infiltration, a central German Government of its own design.

The rise to power of the Socialist Unity Party and the League of Free German Trade Unions has been achieved by methods which, at times, bear a disturbing resemblance to tactics pursued in the days of Hitler.

The Communists could muster only a handful of leaders at the end of the war.

Their one course—and they fought for this with typical fanaticism—was to achieve a united front with the powerful Socialist Democratic Party, which was, and is, the cornerstone of working-class political policy in postwar Germany.

The first phase, in a campaign which is of enormous significance for international Socialism, came with the formation of an anti-Fascist front of all four Parties in the Russian zone and Berlin.

Then, in the spring of 1946, a fusion of the Socialist Democratic and Communist Parties in the Russian zone was "arranged."

Hundreds of Socialist leaders resigned, and thousands of members joined other political organisations, but the new Party—the Socialist Unity Party—had come to stay, and from that day Social Democracy has been forbidden in the Russian Zone.

In Berlin things were different. Here the three Western Powers were not satisfied that the merger did, in fact, represent the wishes of the workers.

The acid test came with the famous plebiscite, when the Social Democrats of Berlin were asked what they thought about the fusion issue.

The Russians banned voting in the eight boroughs under their control, but in the twelve remaining boroughs 10,529 Social Democrats voted against amalgamation with the Communists and only 2,937 said "Yes." Eighty-two per cent of the Party members voted.

Part of history

THEN, in October, 1946, the capital polled for the municipal elections.

The overwhelming Social Democratic victory in these elections has already become part of German history: 841,743 people voted for the Social Democrats.

Christian Democrats came next with 431,916 votes, and the Socialist Unity Party, for all its support from the Russians, could muster only 243,182 votes.

In open, outspoken opposition to the Molotov plan for infiltration through the political parties and trade unions, stand the leaders of the Social Democrats, and the Christian Democrats in Western Germany.

Opponent No. 1 of the "Unity" men is Kurt Schumacher, who spent ten years in a concentration camp and now leads the Social Democratic Party.

Accusing the Socialist Unity Party of attempting to justify the jackboot as a means of political government, Schumacher is still the leading political figure of Western Germany.

As early as March, 1946, he exposed the Communist unity campaign in Berlin as "an attempt to force Communist leadership on the Socialist masses."

"The Communists," he told a party congress, "want to put the clock back 14 years. In this endeavour, they have one thing in common with Prussian officers—iron discipline."

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POCKET CARTOON
by OSBERT LANCASTER

"See here, can't you ever express determination without making that un-American gesture with the right hand?"

BY THE WAY

by Beachcomber

ONCE upon a time a man said, if he liked what he was eating, "This is delicious." Then came the jargon of the bureaucrats, "This is a palatable and nutritious intake of food-stuffs."

Then, recently, Mr Strachey, while tasting a new food, is reported to have said, "This is Grade I, in Britain," which I suppose, is the latest way of expressing enjoyment of food—or rather "diet." How glad I am that no pretty actress when I was young ever looked up from her plate at Romano's to say, "This rates Grade I, in Britain."

There should be a documentary film of the Food Minister chewing an egg made of processed tree-bark, and saying, "This makes all Britain ribbollavin-consolous and starch-minded."

In passing

AMONG some old papers I found the other day a faded and tattered copy of the "Isis." I wondered why I had kept it, until I saw the date, May 24, 1913 (will my biographers please make a note of it?). Turning the pages I came to my first published poem. And I recalled how somebody, in my father's club had shown it to him. My father read it and said, "So that's what he's doing at Oxford."

Afternoon tea and kisses

STILL going through life as though it were a charade, Captain Foulmouth embarrased Vita Brevis the other day by retelling himself announced as "M. Hotspot from the Korean Embassy." Vita was at tea with her mother, who exclaimed, "How thrilling!" and chattered so much that her daughter could not explain. The Captain wore a long dressing-gown of black silk. When introduced to Lady Brevis he clicked his heels, kissed her hand with a loud smack, and said: "Too charming, no, too charming, yes?" He then produced a little mouse from a brown bag, and offered it to Vita. "Combimunks off da Korean Embassy," he said. Vita gave a little scream, and the next moment the Captain had her tight in his arms, and was crowing into her ear. "But, no, ma' leetle sweetheart, I, Hotspot, shall defend you against this wild mouse, no?" And before the astonished eyes of the mother, he kissed her heartily and repeatedly.

COST OF THE CROWN

by Alan Clarke

CIVIL List expenditure now means the money payable to maintain the Crown. In old times the phrase meant something quite different.

There are four classes of Civil List charges.

The first is His Majesty's Privy (or private) Purse. This is the King's own personal income. For the financial year 1946-7 this was £30,661 9s. 11d.

THE KING'S PURSE

The second class is salaries of the King's Household and retired allowances (£134,000).

Third: the expenses of the Household (£152,000), and fourth, the Royal Bounty, Aims and Special Services (£13,200). Accounts for Royal Household expenditure are audited by the Exchequer.

There is an entirely distinct expenditure, voted separately by Parliament, on Civil List pensions.

These are payable to famous men of letters, scientists, actors, artists or their dependents who have fallen on hard times.

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venues became known as the Civil List.

In George III's reign Civil List expenditure amounted to £1,030,000, compared with £330,000 today. From this sum were paid such things as the salaries of the Chancellor, judges, important officers of State and Ambassadors.

George III surrendered some hereditary revenue to the Crown, and when George IV came to the throne about £250,000 of the nation's expenditure was transferred from the King's account.

PHOTOSTRIP SERIAL—No. 19

HOW A HOLLYWOOD STAR IS BORN ★

SYNOPSIS:

Catherine, who was singing into an off-stage microphone under a table, while "The Blonde" faked singing on the stage, finally comes out into the open and does the singing for herself.



At last Catherine Brown has the spotlight. She moves about in the audience—waiting as she sings merrily. Then she goes up on the stage to sing. It is a show of shows, with stars, stars and more stars on the programme—nothing but stars, and

Catherine is among them. Alan Ladd and Dorothy Lamour are among the stars on the programme. Director George Marshall has them do a big musical number together. William Demarest is the ring master for the show, and he calls the crowd over to see the "strongman" act of William Bendix.

billed as "Hercules." Demarest says that "Hercules" has the strength of ten African gorillas—and almost twice the intelligence. "Hercules" Bendix is followed by many more wonderful acts. (To be continued tomorrow)

BEAUTY ARTS

By LOIS LEEDS



Posed by Rosalind Russell for Lois Leeds.

Follow these Three Steps to Beauty!

THREE STEPS TO BEAUTY!

Here are three steps to beauty! This Rule of Three is Cleansing, Toning and Smoothing. These are simple, basic rules which even the busiest woman can follow. Let these three beauty steps become a part of your daily life. This will not be boring or tiresome. It will make

you lovely and what woman could be bored by beauty, even though she follows Three Steps to attain it! Cleansing is the first and most important step. Make your selection after a good trial of both methods—soap and water or cleansing cream. I believe that cleansing cream will do the best beauty job for all women except those who have "problem skins."

Your second step is Toning. Your skin must be toned and braced. I believe in this for each and every day and then, when you are older, you will not have drooping contours and heavy chin lines.

Whether your skin is dry or oily, stimulated circulation is important to firm and tighten the skin and muscles. Use a mild skin toning lotion if your skin is dry and you are not yet forty. If your skin is oily, loose, and flabby, use an astringent, one which will really tone your skin.

The third step in your plan is to use a cream which will smooth and lubricate your skin. A rich cream is necessary for this smoothing process. Always apply the cream on your throat as well as on your face. Put it in well with your fingertips. If the skin is especially dry and lined, add a small amount of cosmetic oil to your cream. A good mineral oil is also excellent. Use four ounces of the oil to a one-pound jar of cream.

You may Cleanse, Tone and Smooth your face and throat every night and every morning with very little effort. The results will be swift and sure!

Minute Makeup by GABRIELLE



To acquire the small waist and rounded hips, try a peplum suit. Put the peplum at the hip line. It will flare out smartly and it will make your waistline look smaller!

SIDE GLANCES

By Galbraith



"Your grandfather and I lived in a barn for a while after we were married—but I guess you wouldn't have much room in a garage!"

Girl's Legacy To Man She Loved Is Upheld

Back home at Chelmsford after two days in the Law Courts, Mr Robert Harvey Currie told a reporter: "I am satisfied. I did my duty to my dead daughter. Now I want to forget the case and the unpleasantness."

Three hours before he had heard Mr Justice Hodson uphold a will made by his 33-year-old daughter Elizabeth in favour of a married man with whom she was said to have been in love.

The decision meant that he must hand over £600, £1 shares in his potato business and the residue of £16,000 left by his daughter to Mr Claude Dixon, a Chelmsford tax clerk.

The residue included another 1,000 shares in R. H. Currie, Ltd., which Mr Currie built up from almost nothing to a £100,000 firm after leaving Scotland 50 years ago.

Some years back he distributed sections of shares among his children.

He and his wife contested Miss Currie's will on the ground that she was not of sound mind, memory or understanding when she signed it, or

that she did not know or approve of its contents.

Mrs Dixon, who wept most of the time, sat behind the Curries in court. Her tall, middle-aged husband sat on the opposite end of the Curries' bench.

Mr Dixon told the judge she left her husband in December 1943, because of the attachment between him and Miss Currie.

Mind Sound

Giving judgment, Mr Justice Hodson said Miss Currie, who suffered from a glandular disease, must have known she was dying when she made the will.

But she had faced the world courageously and there was no doubt that her mental condition was perfectly sound.

Mr Currie seemed convinced that his daughter would never have made the will except under the orders of a man with whom she felt herself to be in love—Mr Dixon.

It was clear that Mr Currie, having regard to the contempt and dislike he felt for Mr Dixon, would have found it painful to carry out his daughter's wishes.

No Evidence

"I doubt whether anything I say will shift the conviction from Mr Currie's mind," said the judge, "that there is something suspicious about Mr William John Bailey (the solicitor who drew up the will) because Mr Currie thought Mr Bailey was a friend of Mr Dixon and that they were hand-in-glove together."

Mr Bailey was not a close friend and there was no cause for suspicion. The allegation that Miss Currie was under the domination of Mr Dixon was not supported by any evidence at all.

The defence had no substance, and his lordship pronounced in favour of the will.

Nepal Medicine Men Back

Medicine men from Nepal—self-styled experts in herbal medicine, charms, magic (both black and white) and fortune-telling—are back in Malaya for the first time since the war.

Their trail has taken them southward through India, Burma and Siam, and it will be many years before they can find their way home again.

Dressed in a conglomeration of costumes of their own and the countries they have visited, these mountain gypsies spread their wares on the streets and camp by night in the corridors of public buildings, in unoccupied dwellings and in jungle shacks. During working hours, they appear to spend more time gazing at the sights than in peddling their wares.

The leader of the band in Singapore at present is the most sophisticated of the lot. He speaks, besides his own tongue, Hindustani, Bengali, Burmese, Siamese and Malay.—Associated Press.

WAS OUTSTANDING

Outstanding discovery of Britain's athletics season during the past summer was Captain Harry Whitby, who, when not competing for British Army teams, runs and jumps in the colours of Reading Athletic Club. He came right to the fore with two most unexpected victories in the British national meeting at the White City, London, winning the long jump title with a leap of 7.55 metres and then the 440 yards low hurdles final in 55 seconds.

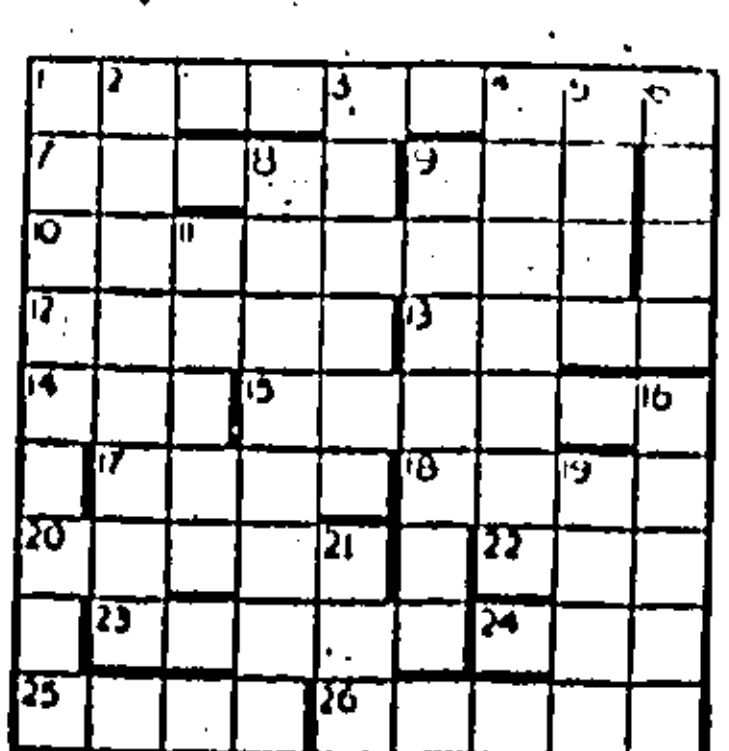
Rupert and the Big Bang—26



Rupert hurries away with the third quib. "That Bingo's an unlucky chap," he mutters. "Everything he does seems to go wrong. Why didn't that second quib just fizz and sparkle like the first one? It'll be upset when he knows I've not kept my promise." At length Bingo's secret hide-out comes in sight, and again Rupert has a shock for, as he watches, a great cloud of smoke is shot up from the very middle of the old broken-down ruin!

ALL RIGHTS RESERVED.

CROSSWORD PUZZLE



13. Were you using the jug? (4)
14. Hurried. (3)
15. Continued from time to time. (6)
16. "Hated not learning worse than they or sap" (Milton). (4)
17. They were amusing to the services. (4)
18. A country lane. (8)
19. Beg pardon. (5)
20. He's a circuit. (4)
21. The correct shade for Bala. (3)
22. He has a strapping effect on. (4)
23. The sea part in the Bismarck. (8)
24. He's a strapping effect on. (4)
25. He's a strapping effect on. (4)
26. He's a strapping effect on. (4)
- Across
1. Though it acts as a search-light it sounds the very opposite. (5)
2. This you may split three ways. (3)
3. Upset the home trap. (8)
4. Consecrate. (5)
- Down
5. No use in this backward world. (7)
6. Leave in the thoroughfare. (5)
7. Hues for certain. (4)
8. Hexes letters. (3)

DUMB BELLS



McKENNEY ON BRIDGE

Makes 7 No Trump By 'Vienna Coup'

By WILLIAM E. McKENNEY

Gresham			
♠AKQJ9		♠532	
♥76		♥Q4	
♦KQ83		♦752	
♣Q7		♣9653	
♠1064	♥N	♠532	
♥J103	W	♥Q4	
♠1094	S	♦752	
♠KJ108	E	♣9653	
Dealer			
♠B7			
♥AK9852			
♦AJ			
♣A42			
Tournament—Neither vul.			
South	West	North	East
1♥	Pass	1♠	Pass
3♥	Pass	4 N.T.	Pass
5♠	Pass	5 N.T.	Pass
6♦	Pass	7 N.T.	Pass
Opening—♦7			
5			

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VOL. III NO. 22

TUESDAY, JANUARY 27, 1948.

Price 20 Cents

NO DEVALUATION OF THE £

Radios Powered By Sun Forecast

New York, Jan. 26.—Mr. Frank Stanton, President Columbia Broadcasting System, predicted today that pocket radio sets, powered by the sun and small enough to fit in a pocket would be in use within 25 years. He said radios "no larger than a pocket watch and powered simply by exposure to sunlight alone" would bring the radio programmes of tomorrow.

"I think you can also count on having personal sending sets to carry around in your pocket, too," Mr. Stanton said. "You will be able to make your own broadcasts—to tell the family you will be late for dinner, for example."—United Press.

IRAQI PREMIER TO EXPLAIN

Baghdad, Jan. 26.—Saidi Saleh al-Hadi, Iraqi Prime Minister, announced tonight on his return from London that he would explain fully the clauses of the new Anglo-Iraqi treaty and that the nation had the full right to accept or reject it.

"I appeal to the nation to keep peace and order until it understands the new treaty, and then to say the last word," he said in a communique.

The communique followed a four-hour meeting of the Cabinet and the Council of the Royal Palace here, earlier, when the treaty was discussed.

The Premier returned here late after signing at Portsmouth on Jan. 26 the new treaty with Britain, which the British had returned to ratify if the treaty was discussed.

He explained details of the treaty to the meeting, at which Cabinet members and the Council of the Royal Palace, and the British Ambassador, Lord Gwylter, were present.

BUS STRIKE IN LANARKSHIRE

Glasgow, Scotland, Jan. 26.—Thousands of bus drivers and conductors went on strike today throughout Lanarkshire, protesting against the management of their working hours. Street scenes and factory employees were unable to get to work and production in some areas was severely curtailed.—Reuter.

EDITORIAL

The Economist Drops A Brick

THE Economist, usually a well-informed periodical, cannot be credited with a notable contribution to the Kowloon City issue. It is clear that the paper has little idea of Kowloon's relation to the Colony, and still less about the so-called walled city dispute. There is no reason in the world why Kowloon should have been handed back to China when Hongkong was re-occupied inasmuch that practically the whole of the mainland is leased territory which, in due course, will automatically return to China unless she wishes to extend the lease. The Economist displays its ignorance when it suggests that "every effort should be made without delay to clear up the legal dispute over the town." In the first place there is no town, and in the second, there can be no argument about the legality of British jurisdiction. Whatever lines are followed in the diplomatic discussions now proceeding in Nanking, we cannot believe that the Chinese Government will seriously contend that the terms of the Peking Convention offer the slightest legal basis for Chinese claims of sovereignty over any part of Kowloon; a more practical and realistic attitude would be for Nanking to show approval of the proposed scheme to convert the disputed area into a public park, the amenities of which would be enjoyed by the Colony's Chinese. The Economist

Declaration By Cripps

TWO-FOLD POLICY

London, Jan. 26.—The British Government does not propose to alter the rate of sterling in relation to other currencies as a result of France's decision to devalue the franc at its controlled rate and to recognise a free rate.

Sir Stafford Cripps, Chancellor of the Exchequer, announcing this in the House of Commons tonight, said he did not believe such a counter action "will be rendered necessary or advisable."

Precautions would, however, have to be taken by Britain. "Our policy will be two-fold: to give any help we can to assist the French Government in reaching their objective of a fixed uniform rate at as early a date as possible and, at the same time, to take such measures as may prove necessary in the interval to limit the repercussions on our own currency and many other currencies in which we are closely interested."

Sir Stafford said that after his week-end visit to Paris, he had left British technical staff there to work out, with the French Government, precautions which the British Government must take.

"This is a matter in which we bear responsibility to the whole of the sterling area and to all those others who are trading on the basis of sterling," he said, "and we must therefore maintain our freedom to take any action which may be found necessary."

"In any action, that we are compelled to take, we shall, of course, exercise the greatest care not to add to the difficulties of our French friends more than might prove inevitable."

PROTECTING STERLING

It is not intended to give facilities for the flight of capital from France by currency speculation or by arbitrage between currencies and gold.

Sir Stafford gave assurance that both Britain and France were anxious that their differences should not interfere with the proposals of Mr. Ernest Bevin, the Foreign Secretary, for a Western European union, including France, Germany, and also Belgium, Holland and Luxembourg, with the possibility of others joining the union later.

The Chancellor of the Exchequer, reporting on his talks, said the French regarded it as impracticable at this stage in the evolution of their economic programme to determine a new and fixed rate for the franc which would be appropriate.

"Therefore, in their judgment, it was necessary that, for the trans-

itory period, part of the convertible currencies coming to France should find its level through the operation of the free market.

"They came to the conclusion that if they accepted any of our suggestions, they would be unable to achieve, in full measure, the results for which they hoped from their present arrangement."

"Although all of us agreed upon the extreme importance of working towards a greater economic integration of Western Europe, the judgment of the two sides upon the effect that the French action was likely to have differed."

BRITISH VIEWPOINT

"We held the view that the particular methods which they were proposing were of less desirability for them than they considered, and that the adverse effects upon co-operation between the franc and other European currencies, which were likely to ensue from their action, were greater than they had estimated."

"As a result, they decided to adopt a method in the form which Mr. Mayer had first explained to me, despite the disapproval which they were conscious would be registered by the International Monetary Fund."

"We regard this result as unfortunate, but nevertheless we are anxious, as the French Government, that this difference of opinion should have no adverse effect on our general relations and co-operation, or in any way militate against our coming together for the purposes announced by the Foreign Secretary on Thursday last and to which I found the warmest response amongst all members of the French Government whom I met."

Off his first interview with Mr. Mayer in London 10 days ago, the Chancellor of the Exchequer revealed: "I emphasised that we were entirely in sympathy with the main objective which the French Government had in view, which was to arrive at a realistic value between the franc and the dollar."

METHODS IN DISPUTE

"I said that we were prepared to support that objective at the Fund but that we were not in agreement with the method which they proposed to adopt."

"We told the French Government that if they found it possible to accept a straight devaluation of the franc without the system of a free market, we would do all we could to help them by immediate discussions for the expansion to trade between the franc and the sterling areas on that basis," Sir Stafford declared.

"The French Government, however, concluded that straight devaluation was, for a number of reasons, impracticable for them."

"As the next step, we said that we would still agree to work immediately for an expansion of trade and for the provision of additional important supplies for French economy if they could accept a suggestion which we understood had been made to them in Washington that the free market should not apply to the rate for commercial transactions but should be limited to financial transactions such as the repatriation of French capital held abroad."

"The French found themselves unable, for the requirements of their own economic position, to depart from their original methods,"—Reuter.

Stock Exchange Reacts To French Decision

NEWSPAPER CRITICISM

London, Jan. 27.—Government securities broke on the Stock Exchange today, reflecting fears that devaluation of the franc will damage the pound sterling.

The British Cabinet was in emergency session. Investors rushed to "get into gold." The demand forced up the prices of South African gold shares. These shares also opened strong on the Capetown market, indicating belief that, sooner or later, the pound must be cheaper. It is now officially worth four dollars and two cents but has sold down to two dollars 50 cents in uncontrolled markets.

London newspapers, reporting the pound in jeopardy, said the break in Government bonds, wiped out millions of pounds in market values. Market sources attributed this break to lack of demand rather than general liquidation. There was a sell-off, however, in early trading.

Most other sections of the London market were quiet. Industrials were about steady, base metals and commodities were fully firm.

Any lowering of the pound's value would mean that Britain would have to put up more pounds for purchases abroad. That would imperil the Labour Government's recovery programme. It sought vainly last week to have France hamper her devaluation.—Associated Press.

GLOOMY PREDICTIONS

Paris, Jan. 26.—Leading articles in today's French papers, which do not usually publish on a Monday but came out today to give details of the devaluation plan, made sharp criticism and gloomy predictions about the scheme.

The Leftist France-Tirou wrote: "France has thrown her stake on the international roulette table and Mr. Rene Mayer is playing the capitalist game with precise mastery."

The Leftwing Radical L'Ordre calculated the new franc "with all the tender solicitude caused by the illness of a loved one."

The authoritative Le Monde comments that the devaluation of the franc should be the starting point of an international financial co-ordination headed by the whole world rather than a signal for the outbreak of commercial warfare.

France, Great Britain and all other Western nations should immediately re-examine, not only their monetary interrelation, but all their international commercial dealings in the light of the present crisis, Le Monde said.

UNDERTAKINGS BROKEN

Le Populaire, organ of the Socialist Party, said the decision "has caused grave disagreement with an allied country and constitutes a breaking of the undertaking towards an organisation created to direct economic and financial co-operation between the nations."

The independent Moderate "Combat" considered that one of the objectives of the United States has been attained in France, "but in an oblique and shameful manner."

The paper said it would be astonishing if the United States had not given France "some discreet encouragement," even though she ostensibly voted against France and supported Britain in the International Monetary Fund.

"The most severe newspaper condemnation of the devaluation scheme came from the Paris Communist Party organ, L'Humanite, which said the operation was "not for national, but essentially capitalist interests."

OFFICIAL U.S. REACTION

Washington, Jan. 26.—If the worst fears about the franc devaluation are fulfilled, this would have serious effects on the successful operation of the European recovery programme, a United States Treasury spokesman warned today.

The spokesman formally confirmed the American opposition to the French Government's action.

He said: "The view of this Government is completely in accordance with the view of the Fund." He added, however, that the United States proposed to make no unilateral approaches to the French Government, but would continue to operate in this matter through the Fund.

Cold Wave To Continue

After touching the 1917 minimum of 38.8 about 10 o'clock last night, the temperature gradually rose.

One reading showed the thermometer registering 39.3 degrees, and at 9 o'clock this morning the Royal Observatory reported that the temperature was 43.

Observatory officials do not expect the weather to become much colder, although they predict that the temperature will remain around the 40 degrees level for some days.

KASHMIR DISCUSSIONS CANCELLED

Lake Success, Jan. 26.—The discussions arranged for this afternoon between the Indian and Pakistan delegates have been cancelled, the Indian delegation announced tonight.

The Indian delegates were awaiting instructions from their government, it added.

Fears were being expressed here today that the round-table conference which was to have been held this afternoon would have revealed important differences in the points of view of the two delegations.

The earlier optimism in United Nations circles, that the question of a plebiscite for Kashmir could be resolved, received some setback through recent utterance by Indian spokesmen.

India's view, as expressed by de-
legation spokesmen here, is that Kashmir should remain in India and there is, therefore, every legal right for the presence of Indian Army forces there to maintain law and order.

PLEBISCITE ISSUE

The second point of difference between the contending parties is understood to be a question of the "neutral" administration in Kashmir to act as a sort of interim government during the holding of the plebiscite.

While the Indian delegation is perfectly prepared to have a plebiscite under Security Council control or supervision, this should not be taken to imply a change in the administration by Sheikh Abdullah's government.

The Pakistan delegation, on the other hand, is believed to be basing its case on what they considered to be "a general feeling" of the Security Council as expressed, particularly on Saturday, by delegates of the United States, Canada, France and Syria.

Pakistan delegation is specially impressed by the suggestions made by Mr. Warren Austin, of the United States, for an interim plebiscite administration, as he declared, "as nearly impartial and perfect as possible."

Both the Pakistan Government and what is termed the "Free Kashmir Government" have refused to recognise the legal sovereignty of Sheikh Abdullah's administration.—Reuter.

Chinese Communists' Plan For Invasion Of S. China

Nanking, Jan. 26.—Semi-official reports said today that captured Communist prisoners disclosed a plan by the Chinese Red High Command to cross the Yangtze into South China beginning May this year.

The reports said the Chinese Red High Command headed by Gen. Chu Teh had ordered all preparations to be completed prior to the May operations.

The prisoners disclosed the following Communist programme for the domination of the Yangtze Valley and the eventual disruption of partially restored trade and commerce in South China.

Firstly, Communist regular forces north of the Yellow River will be sent southward to reinforce the armies of Generals Liu Po-cheng, Chen Yi and Chen Keng, leaving local militia to garrison the vacated areas.

Secondly, newly recruited forces in North China will be sent southward to strengthen the Chinese Red hold of Fujian, Fuzhou and Tientsin mountain ranges.

Thirdly, destruction of the Lunghai-Peking-Hankow and Tientsin-Pukow railways will be stepped up in line with the general Communist policy of weakening the Nationalists through the disruption of transportation.

Other authoritative sources said the government is planning another

Palestine Latest Explosion Rocks Holy City

British Troops Seize Ammunition Dump

Jerusalem, Jan. 26.—A large quantity of ammunition was seized and 23 Arabs were arrested when British Airborne troops raided a house in the Arab quarter of Haifa last night, the British Military Headquarters in Jerusalem announced today.

The house was described as the operational headquarters of an Arab gang. Jewish sources reported that one person was killed and 11 wounded when an Arab bus was blown up by a mine between Bethlehem and Jerusalem today.

A heavy explosion shook the centre of Jerusalem today, spraying part of the business area with debris, when a large explosive charge went off in an empty Jewish shop below some empty flats in a burned out commercial centre.

SHOPS RIPPED APART

The explosion ripped open shop fronts and hurled metal shutters and pieces of masonry into the street but caused no known casualties.

Seven Arabs were killed in night attacks near Tel-Aviv, Jewish sources claimed today.

Three of the Arabs were killed during a Haizum attack with automatic fire and hand-grenades near Yaffa, on the main highway outside Tel-Aviv, and another Arab a lorry driver, was shot dead in the same area, the Jews reported.

Haizum claimed to have repulsed an Arab attack in the borderland between Tel-Aviv and Jaffa, and to have killed three of the attackers.—Reuter.

SOUTHERN FRONT

Cairo, Jan. 27.—Ahmed Hussein, leader of the Young Egypt Party, said today he would leave soon for the Egyptian-Palestine border "to choose a spot for reopening the southern front." The main objective, he said, will be Tel-Aviv.

"The world will hear soon of a decisive blow struck by the Arabs at Palestine Jews," he added.

Hussein denied reports that Fawzi Bey at Kaukji, Commander of the Arab armies, is in Palestine. The Commander is still in Syria, he said.

"Kaukji will enter Palestine at the head of a large army," he predicted.—Associated Press.

U.S. FAMILIES LEAVE

Jerusalem, Jan. 26.—Eight United States citizens left Jerusalem for the port town of Haifa today, heavily guarded by police and armoured cars.

The group, composed of the wives and families of American consular officials, included the wife and daughter of the American Consul-General, Mr. Robert Macneice.—Reuter.

APPEAL FOR FUNDS

Chicago, Jan. 26.—Mrs. Golda Myerson, head of the Jewish Political Department of the Jewish Agency for Palestine, appealed to American Jews today to furnish between \$25 million and \$30 million immediately to the Jews of Palestine.

Mrs. Myerson told the annual assembly of the Council of the Jewish Federations and Welfare Funds that the 9,000 men now mobilised in Palestine and costing \$4,000 every 24 hours to maintain, must be increased to 27,000 within the next few days.—Reuter.

Coal Output Competition

London, Jan. 26.—Scotland is still leading in the national coal output competition for the Mitchell-Hedges trophy. Having scored 162 points in the three weeks ended January 10, the Scottish miners have now 780 points.

Second, with a total of 646 points, is the Southwestern Division (South Wales, Monmouthshire, Somerset and Dean Forest).

The Kentish miners, who have been steadily climbing the League table, continue at third place with 616 points.

The other positions in the competition table are: Northern Division (Durham, Northumberland and Cumberland)—403 points; North-Eastern Division (Yorkshire)—408 points; East Midlands Division (Nottinghamshire, Derbyshire and Leicestershire)—390 points; North-Western Division (Lancashire, Cheshire and North Wales)—223 points; and West Midlands Division (North and South Staffordshire, Cannock, Chase, Shropshire and Warwickshire)—84 points.—Reuter.

STASSEN VERSUS TAFT

Washington, Jan. 26.—Mr. Harold E. Stassen today was pitted against Senator Robert Taft in the bruising Ohio test of Republican Party policy sentiment and their own personal and political sex appeal.

Both men are avowed candidates for the Presidency.

Mr. Stassen jolted Senator Taft yesterday by announcing that he would enter Ohio's May 4 Presidential preference primary in opposition to the "favourite son" Senator. The Taft-Stassen battle will give Midwest Ohio a chance to vote for or against free-handed spending in Europe. Senator Taft is no free spender. Mr. Stassen was along with the philosophy of the Marshall Plan.

Mr. Stassen's own plan, advanced last year, would designate 10 per cent of United States production of goods and food for the express purpose of building world-wide peace, plenty and freedom.

The Ohio primary takes place under conditions which inevitably will rattle Republican Party windows and bend rafters.

The primary also could damage Senator Taft's prospects disastrously if Mr. Stassen defeated him right there at home. —United Press.

SUPERSONIC AIRCRAFT

FBI Investigating Leakage

Washington, Jan. 26.—A government agency today produced what looked like the nearest thing so far to an official hint that a United States aeroplane has flown faster than the speed of sound.

The apparent hint was in an announcement by the National Advisory Committee for Aeronautics.

The announcement said Laurence A. Chouinard, NACA test pilot, will receive the 1947 Octave Chanute Award given by the Institute of Aeronautical Science to the pilot who has made "notable contributions to aeronautical science."

Closing had flown a Lockheed P-80 Shooting Star at 86.6 per cent of the speed of sound, the announcement said.

Then it added: "His speeds have only recently exceeded, interestingly enough in one of several research aeroplanes built for and flown in NACA high speed flight research."

Nobody Talking
The allusion appeared to be the rocket-propelled SX-1, which was built by Bell Aircraft Corporation for the United States Air Force to NACA specifications. But officials and they meant the jet-propelled D-558 Skyrocket built by Douglas Aircraft Company for the United States Navy.

As for the SX-1, nobody is talking officially about it since a magazine reported some weeks ago that three pilots flew it faster than sound. The FBI is currently trying to discover where the magazine, Aviation Weekly, a McGraw-Hill publication, derived its information.

Some speed is 760 miles at sea level and 660 at 30,000 feet.—United Press.

NEW BURMESE PARTY

Rangoon, Jan. 26.—A new Burmese political party, the Aung San League, will be formed here shortly. The party manifesto said it would "strictly follow the objectives of the late U Aung San," chairman of the Interim Burmese Government, who was assassinated on July 19 last year.

The party will be headed by Dr. Thakin Sane, former president of the Rangoon Branch of the Anti-Fascist People's Freedom League.

The Burma press today forecast the likelihood of the new party breaking away from the AFPFL, the Government party of which the Burmese Premier, Thakin Nu, is president.—Reuter.

SECOND ILOILO EARTHQUAKE

New York, Jan. 26.—A second earthquake has shaken Iloilo, on Panay, in the Philippines, where 21 people were killed and 35 injured in eight shocks yesterday, radio reports here reported tonight.

The second earthquake lasted four minutes. No damage or casualties were reported.—Reuter.

TYRONE POWER DIVORCED

Los Angeles, Jan. 26.—The French-born film actress Annabella divorced Tyrone Power in the Superior Court here today.

She won approval of an alimony totalling at least \$50,000 yearly, less her earnings.—Reuter.

BOMB INJURES 20

Rome, Jan. 26.—Twenty people were injured when a bomb exploded in a building in Messina, where a Communist Party dance was being held.

The explosion tore a large hole in the wall.—Reuter.

Hungarian Journalist Charged With Spying

Geneva, Jan. 26.—M. Ladiklas Tarr, the Hungarian Journalist arrested in Zurich on January 12, has been charged with "political espionage," the Swiss police authorities announced today.

M. Tarr, who was representative in Switzerland of the semi-official Hungarian News Agency, was accused of "systematic spying, particularly into the political attitude of Hungarians living in Switzerland."

Police reports said M. Tarr's dispatches had nothing to do with his journalistic activities and were not addressed to the news agency which he represented.

Unconfirmed reports said that the Hungarian Government had already instructed its Minister in Bern to lodge an official protest with the Swiss Federal Government.—Reuter.

HOUSE OF LORDS REFORM BILL

CRUCIAL STAGE REACHED

London, Jan. 26.—A long standing argument over the future of the House of Lords is expected to come to a head today.

RED HUNT LEADER ILL ON VOYAGE

Panama City, Jan. 26.—Representative J. Parnell Thomas (Republican of New Jersey), Chairman of the House Un-American Activities Committee, is seriously ill aboard the ship Ancon, a radio message from the ship's master reported today.

Capt David Swinson, master of the Panama Railroad liner, radioed that Rep. Thomas suffered from gastro-intestinal hemorrhage and requested an ambulance to meet the ship on its arrival at Cristobal this afternoon.

An attempt by an army B-17 to land a supply of blood plasma aboard the vessel at sea failed. The ship's captain, apparently deciding against delay, sped towards port attempting to pick up the package.

Dr. Oswald Lowesley, Director of the Brady Clinic, New York, is known to be aboard the Ancon and is believed to be attending Rep. Thomas.

Accompanied by his wife, Representative Thomas is en route to the Canal Zone to investigate alleged Communist activities there.—United Press.

Plane Crash: Seven Killed

Paris, Jan. 26.—Seven people were killed when a plane crashed on a carpentry shop in Romainville, a north-western Paris suburb, today, according to an official of the local fire station.

Seven charred bodies had so far tonight been recovered from the still smoldering tangle of the crashed plane and the wreckage of the shop. A French Aviation Company spokesman said the plane, belonging to the air training and navigation centre at Le Bourget Airport, eight miles away, carried 12 people—11 passengers and the pilot officer—and that seven of them had been killed.—Reuter.

SPAARK AGAINST ABDICATION

Brussels, Jan. 26.—M. Paul Henri Spaak, the Belgian Socialist Prime Minister, today pronounced himself against the immediate abdication of King Leopold.

Speaking before the General Council of his party, which is opposed to the King's return to the throne, M. Spaak said he thought the abdication would be "bad for the Crown Prince, Baudouin, and for the country."

When Prince Baudouin comes of age next September, he will have to take his seat in the Belgian Senate, according to the constitution, and serve his period of conscription.—Reuter.

Successor To Eisenhower

Washington, Jan. 26.—President Truman formally nominated General Omar Bradley today as Army Chief of Staff to succeed General Dwight Eisenhower.

The Senate must approve the nomination before General Bradley can take up the post.

The White House did not specify the date on which General Bradley will take over the duties of the post.—Reuter.

Trygve Lie In Prague

Prague, Jan. 26.—Dr Trygve Lie, Secretary-General of the United Nations, arrived in Prague by train this afternoon on his tour of European capitals to decide the place for this year's meeting of the United Nations General Assembly. He will travel to London and then return to New York.—Reuter.

Today the Peers will consider on second reading, the Labour Government's bill to reduce the Lords' power to delay legislation from the present two years to one year.

From the debate, this larger question is expected to emerge: does Britain really want a hereditary House of Lords?

During the week, Prince Philip, Duke of Edinburgh, will take his seat for the first time in the "upper" chamber. He was raised to the peerage on the eve of his marriage to Princess Elizabeth last November. The Princess is expected to attend.

The bill to curb the only real remaining powers of the House of Lords already has been passed by the House of Commons. The purpose of the measure is to prevent the Lords from interfering with the nationalisation of the iron and steel industry. Nationalisation of that industry is a Labour Government objective scheduled for accomplishment late this year or early next year.

To Weed Out Inactive

Conservative Lords, urging defeat of the bill, are expected to propose, instead, other reforms in the Upper Chamber.

Informed sources predicted that such changes, including the possible weeding out of 500 inactive Peers, would be agreed upon by a conference of all political parties. The House of Lords is expected to be on the grounds that it is not effective, that its hereditary membership includes men who have no essential qualifications for public service and that it is apt to be an obstacle to the House of Commons.

Persons of the Upper Chamber point to its value as a safeguard against hasty legislation.—Associated Press.

Danish Food For Britain

London, Jan. 26.—Britain hopes to sign contracts with Denmark for butter and bacon shortly, the Minister of Food, Mr. John Strachey, stated today.

He was replying to a question in Parliament on what progress had been made in the negotiations. He added that the Danish delegation had returned to Denmark for consultation with their Government.

Asked if the reason that these discussions had not proceeded in a bigger way was because Britain was unable to offer the Danes steel and coal, Mr. Strachey replied that supplies of scarce materials such as coal and steel had been offered but Britain could not offer the Danes all the supplies available or there would be none for other important customers.—Reuter.

Heavy Seas Lash Britain's Coasts

London, Jan. 26.—Tremendous seas lashing Britain's coasts today in the worst gale of the winter had trains in Devon, beached the promenade at Penzance in Cornwall and hurled a 500 pound mine ashore at Folkestone.

Huge waves broke over the Western region on the coastal railway run between Teignmouth and Dawlish and swept the track ballast from the down to the up line which became blocked for eight hours.

In the teeth of the gale maintenance men fought to clear the obstruction and at times had to stop work because of the weather.—Reuter.

Children Killed By Arctic Weather

Shanghai, Jan. 27.—Another 100 corpses were picked up in the streets of Shanghai in the past 24 hours as the result of the continued sub-zero weather.

No less than 70 percent were those of children, according to officials of the Chinese Benevolent Society.

The Shanghai Observatory predicts gradual warmer weather with the temperature rising to 40 degrees Fahrenheit by the week-end.—Reuter.

Marshall Plan Financing

Washington, Jan. 26.—Marshall planners said today that only in rare instances would European governments or firms directly receive United States dollars under the present proposed financial framework of the European recovery plan.

As it is now planned, nearly all buying under the project would be handled by the Recovery Administrator, a United States official. American governmental agencies or private United States firms.

Hence most of the financial transactions would be conducted indirectly unless Congress rules otherwise. Consideration for direct payments for commodities and services would be given only when Western European countries' firms made purchases with the United States and other countries without prior approval.

Then they could ask repayment from the Marshall funds, but reimbursement will be made by the United States after the purchases are thoroughly examined.

The European governments will be required to match United States dollars with an equal amount of their own currency whenever outright grants are made for materials not intended for capital development.

The funds are so established that they would be used to explore and develop new sources of the United States needed by the industrial nations, including iron, industrial diamonds, natural gas, manganese, chromium, copper, lead and zinc. Other uses of the funds include national debts, financial reforms and stabilization of currency.—United Press.

Easy Win For Marcel Cerdan

Paris, Jan. 26.—Marcel Cerdan, French and European middleweight champion, scored an easy victory over the Italian, Giovanni Manca, at the Palais des Sports here tonight, knocking him out in the second round of their ten round fight.

Cerdan attacked from the start and looked as if he meant to finish the fight early. The Italian kept him at bay with his straight left, but near the end of the round Cerdan got under his guard with a terrific left to the body.

Manca went down but was up again immediately although obviously shaken.

Manca was again on the defensive in the second round but he could not keep the Frenchman out and a right to the jaw followed by two rights to the body sent the Italian to the canvas. He was counted out after two minutes and 40 seconds of fighting in the second round.—Reuter.

PETER KANE WINS

Nottingham, Jan. 26.—Peter Kane, European bantamweight champion, beat Sammy Reynolds, of Wolverhampton, on points over 10 rounds here tonight.—Reuter.

DRAWN TEST

Bridgetown, Barbados, Jan. 26.—Rain interfered with the first Test between the West Indies and England, which was continued here today, and the match was left drawn.

The final scores were: West Indies 296 and 251 for nine declared; England 253 and 86 for four wickets. Rain stopped play.—Reuter.

RUGBY RESULT

London, Jan. 26.—In a Rugby Union match played today, Newport beat Devonport Services by eight points to five.—Reuter.

TENNIS AT LUCKNOW

Lucknow, Jan. 26.—The Swedish lawn tennis players, Sten Johnsson and Lennart Bergelin, each defeated an Indian opponent in the United Provinces lawn tennis championships here today, and qualified to meet each other in the final, which will be played tomorrow.

Johnsson beat D. Bose by 6-4, 4-6, 6-4, while Bergelin beat Nandranath 5-7, 6-3, 8-6.—Reuter.

220 YARD DASH RECORD

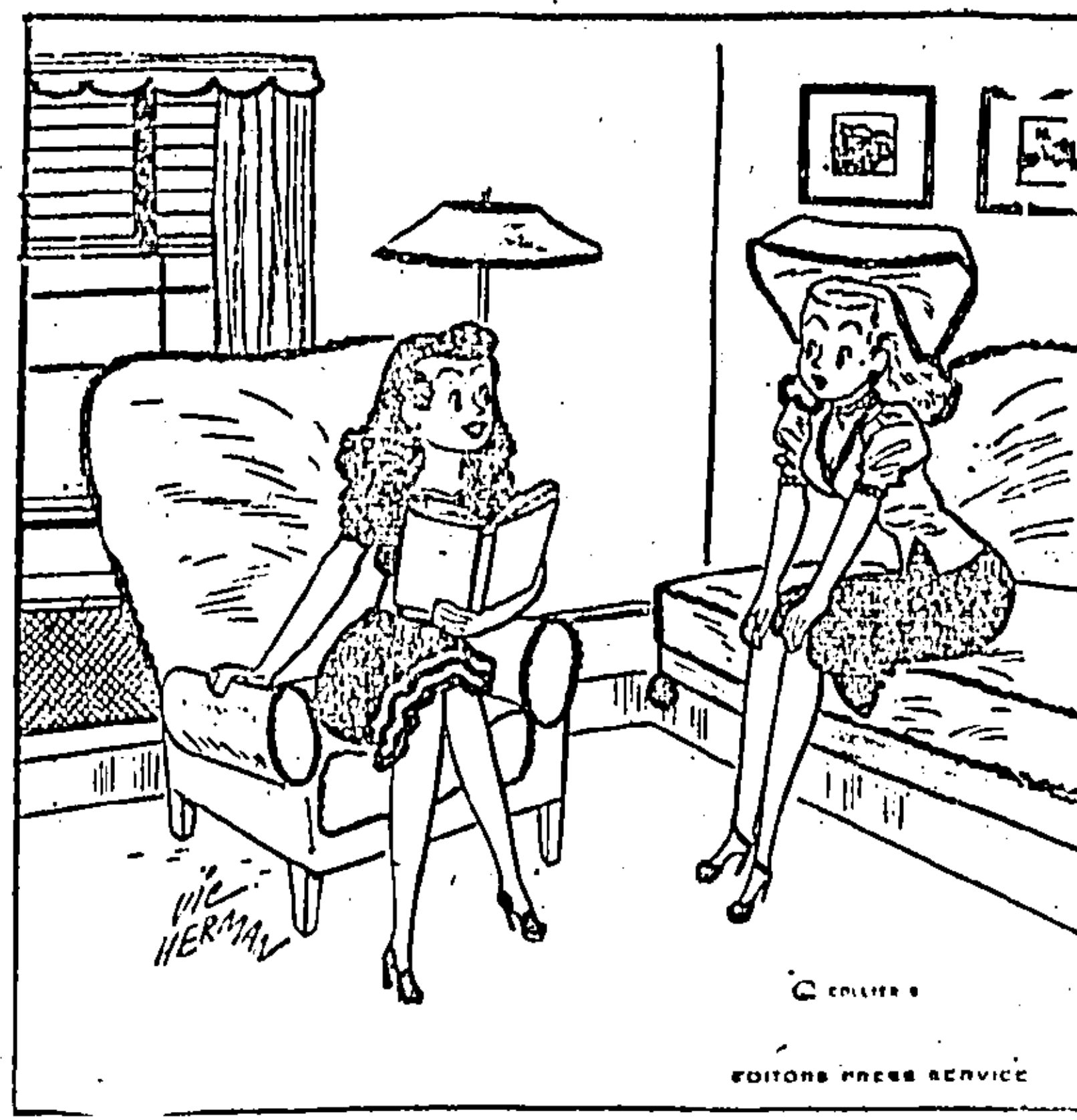
Melbourne, Jan. 26.—John Treloar, Australia's crack sprinter, set up an Australian 220-yard dash record of 20.4 seconds yesterday.

Defeating John Bartram, of Victoria and Herb McKenley, of Jamaica, Treloar finished with Bartram two yards behind and McKenley two yards behind the latter.—Associated Press.

British Tractors For France

Coventry, Jan. 26.—Five thousand British-made Ferguson tractors built by the Standard Motors in Coventry have been sold to the French Government at a cost of £2,000,000 for the development of French agriculture. It was announced today. This is the largest single French order yet obtained in the British export drive.

They will start to leave the Coventry Work next week. The order, which, with a recent one from the United States, has brought £7 million worth of export orders in the past three weeks, is unaffected by today's devaluation of the franc since the French sterling credit was obtained before the step was taken.—Reuter.



Big Washington Names Dabbling In Market

Washington, Jan. 26.—Mr. Edwin Pauley's commodity speculation today came up for renewed study by Congressional investigators amid hints that other "big names" were dabbling in the market through private individuals.

The chairman of the special House committee on speculation, Representative August Andersen (Republican from Minnesota), said his group planned hearings soon which "may disclose some rather large speculative operations on the part of one or more Government employees."

"It may develop into big names afterwards, but not through these employees, because we generally find big names trading through other individuals. We hope to trace them down," he said.

On the other side of the Capitol, the Senate sub-committee on speculation resumed study of Mr. Pauley's trading in the last three months of 1947 to see if they were, as he reported, "incidental" to his efforts to get out of the market without taking a financial licking.—United Press.

Oil Purchases
Washington, Jan. 26.—The chairman of the Senate War Investigating Committee, Senator Owen Brewster (Republican from Maine), said today that he expected the Defense

Secretary, Mr. James Forrestal, to let later this week what he knew about U.S. Navy oil purchases in the Middle East.

Senator Brewster said the Committee would hold a hearing on Thursday to question Rear-Adm. Andrew Carter, former Supply Corps officer, about the Navy paying US\$1.05 a barrel for oil to the Arabian-American Oil Company in the Middle East.

The Committee has heard testimony that Standard Oil of California and Texas Company, parent concerns of Arabian-American, once offered without success to sell all the Government's about 40 cents a barrel of Saudi-Arabia were given lend-lease aid.

Senator Brewster has been trying to find out why the price later went to US\$1.05.—United Press.

EXPORT OF GERMAN PRODUCTS

Berlin, Jan. 26.—Goods and services delivered to 65 countries—throughout the world—from the combined British and American zones of Germany in 1947 amounted in value to \$222,032,860, it was announced today.

Of this total, \$36,376,354 resulted from the sale of manufactured goods. The balance was derived from the sale of coal and timber and from port charges and other services. The Director-General of the Joint Export Import Agency stated.

During 1946, before the combination of the zones, exports from both zones totalled \$153,000,000 worth. The 1947 figures showed that the British zone exported \$20,011,004 worth of manufactured goods, ranging from ceramics and silver to machinery and machine tools.

The American zone exported \$16,265,690 worth. The 1947 report distinguished between exports delivered and contracts signed, since a lapse of several months sometimes occurs between the contract and delivery.

The total new contracts signed for the bi-zone in 1947 were approximately \$204,000,000.

Principal Markets

The principal markets for bizonal exports were the United Kingdom, the United States, Belgium, Czechoslovakia, Denmark, France, The Netherlands, Norway, Sweden and Switzerland.

Trade and financial agreements reached with 10 European governments during the year laid the groundwork for an expansion of the bi-zone's export trade.

The British and American Military Governments have an aggregate working capital of \$151,000,000 on deposit in banks of the countries with which the combined zones are doing business.—Reuter.

S'hai Newsprint Cut Ordered

Shanghai Jan. 26.—A Government order was issued to Shanghai papers today to cut the allocation of newsprint to papers to a rate which will permit only two and half pages to the largest papers.

The order was given under a decree which was supposed to come into effect on January 1.

Newspapers formerly of two sheets or less are now reduced to one sheet.—Reuter.

MacArthur Reports On Jap Affairs

Tokyo, Jan. 26.—A brighter trade and industrial outlook for Japan—although power and material shortages hamper the output of some basic products—is noted by General MacArthur in his summation of December occupation activities.

On the political side, there was "continued progress toward an efficient, representative government," he said, pointing out that the once all-powerful Home Ministry was abolished and the Attorney-General's Office established.

In the same month, the Diet passed bills for temporary state control of coal mines, for decentralization of excessive concentration of economic power and break-up of the national police system.

SCAP said six atrocious war crimes trials were completed between November 21 and December 20, but pointed out that 140 cases had yet to be tried.

Cotton Exports
It stated that 18,000,000 linear yards of cotton fabrics were exported during November.

MacArthur also reported: Coal production increased but not in sufficient quantity to alleviate fuel shortages, which hampered the production of basic heavy chemicals, machine tools and rolled steel. On the other hand, the output of pig iron, steel rails, aluminium sheets and textile machinery showed increase.

Labour relations were "relatively calm." There were disputes in the coal industry and among government workers.

Bank of Japan notes in circulation exceeded 210 billion yen, and the national debt climbed past 330 billion yen.—Associated Press.

OUTWARD MAILS
Unless otherwise stated, Registered Articles and Parcel Post close 20 minutes earlier than the Ordinary Post Office close, before 5 p.m. Registered and Parcel Post close at 5 p.m. on previous day.

TUESDAY, JANUARY 27

Closing Times By Air:
Bangkok, Hankow, Kobe, Karachi, London, Manila, Nanking, Singapore, Swatow, Tientsin, Yokohama, 3 p.m.
Canton, 3.30 p.m.
Amoy, 4 p.m.
Canton (Train) 2 p.m.
Keelung (Formosa via Keelung) (Sea) 4 p.m.

Closing Times By Sea & Train:
Manila, Tientsin & Shekhi (Sea) 1 p.m.
Canton (Train) 2 p.m.
Keelung (Formosa via Keelung) (Sea) 4 p.m.

Haliphong (Sea) 3 p.m.
Shanghai (Sea) 3 p.m.
Tientsin, Kowloon, Hongkong, Macao, Canton, 4 p.m.
Canton (Sea) 5 p.m.

WEDNESDAY, JANUARY 28
Swatow, Tainan & Amoy, 9 a.m. (reg.), 9.30 a.m. (ord.).
Manila, Tientsin, USA & Canada, 9.30 a.m. (reg.), 10 a.m. (ord.).
Manila (Sea) 2 p.m.
Canton, 2.30 p.m.
Shanghai, Nanking, Hankow, Tientsin, Amoy, 3 p.m.
Canton (Train) 7 a.m.
Manila, Tientsin & Shekhi (Sea) 8 a.m.
Macao, Tientsin & Shekhi (Sea) 1 p.m.
Bangkok (Sea) 1 p.m.
Swatow and Amoy (Sea) 1 p.m.
Shanghai (Sea) Noon.
USA, Canada, Central & South America via San Francisco (No Parcel Post for Canada) (Sea) 2 p.m.
Japan (Ordinary letters & cards only) (Sea) 2 p.m.
Canton (Train) 2 p.m.
Hankow and Tientsin (Sea) 3 p.m.
Manila (Sea) 1 p.m.
Shanghai, Tientsin, Suifu, Yantai & Macassar (Sea) 3 p.m.
Macao, Tientsin & Shekhi (Sea) 4 p.m.
Kowloon (Sea) 4 p.m.
Canton (Sea) 5 p.m.

CHECK YOUR KNOWLEDGE
Answers
1. Australia. 2. In the deserts of Africa and Arabia. 3. A printer. 4. The White Sea, extending south from the Barents Sea and the Arctic Ocean. 5. That area through which the Nile flows. 6. Second.

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Wednesday, January 28
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of His Excellency the Governor
and Lady Grantham

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Please Book Early